

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Handloom Industry-- National Co-operative Development Corporation - Margin Money Assistance of Rs.76.00 Lakhs [comprising of Rs.60.80 Lakhs as loan and Rs.15.20 lakhs as subsidy] to the Kadapa Handloom Weavers Co-operative Production & Sales Society Ltd., Y.S.R. Kadapa District - Orders --Issued.

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INDUSTRIES AND COMMERCE (TEX) DEPARTMENT

G.O.Ms.No. 68

Dated:16-03-2012
Read the following:-

1. From the CH&T, Hyderabad, Lr.Rc.No.5824/2011-K2,
Dt. 03-06-2011
2. Government of Andhra Pradesh, Lr.No. Letter No.8318/Tex.2/2011-
Dt. 15 -11-2011.
3. From the Managing Director, NCDC, Lr.No.NCDC:4-8/2011-TEXT
(HLM)/235(SA10156), dated 22-12-2011.
- 4.From the CH&T, Hyderabad, Lr.Rc.No.861/2011-K2, dt. 27-12-2011)
5. G.O.Rt.No.308, Finance (Exp.I&C) Department, 31-01-2012.

O R D E R:-

In the reference 1st read above, while forwarding an application along with project report in respect of Kadapa Handloom Weavers Co-operative Production & Sales Society Ltd., (W.No.820), YSR Kadapa District to Commissioner of Handlooms & Textiles and Apparel Export Parks, Andhra Pradesh, Hyderabad has requested to consider and release an amount of Rs.120.00 lakhs as Margin Money assistance under National Co-operative Development Corporation Scheme as per the terms and conditions.

2. In the reference 2nd read above, while recommending, the loan application of the Kadapa Handloom Weavers Co-operative Production & Sales Society Ltd., (W. No.820), Y.S.R. Kadapa District was forwarded to the National Co-operative Development Corporation, New Delhi for considering the request as per the terms and conditions.

3. In the reference 3rd read above, the Managing Director, National Co-operative Development Corporation, New Delhi has conveyed the sanction of Financial Assistance of Rs.76.00 lakhs comprising of Rs.60.80 lakhs as loan and Rs.15.20 lakhs as subsidy (subject to availability of subsidy from Government of India) to the Government of Andhra Pradesh towards Margin Money assistance to Kadapa Handloom Weavers Co-operative Production & Sales Society Ltd., Y.S.R. Kadapa District, Andhra Pradesh provided the NCDC's loan component of assistance to the Society is in the form of share capital or loan and subsidy component in the form of subsidy and subject to the following conditions:-

- (i) that the Society shall furnish to the Corporation such returns, statements of accounts and other information, as may be prescribed or called for by the Corporation from time to time;
- (ii) that the Society shall allow and afford facilities to the officers of the Corporation or any other person or persons nominated by it in this behalf to verify and inspect its books of accounts and other records; and
- (iii) that the Society shall make arrangements to the satisfaction of the Corporation for the appointment of suitable administrative and technical / senior personnel for the business of the society.

4. The repayment schedule to the above sanction is for a period of 5 years and shall be recoverable in 5 annual equal installments along with interest and loan instalment will commence from the 1st anniversary of the deemed date of drawal of loan along with interest. There will be no moratorium on repayment of loan and payment of interest. The interest shall be levied at the rate of interest prevailing at the time of actual release of funds and the present effective rate is 12.75%. In case of payment of instalment is not received on or before due date, normal rate (effective + 1%) would be applicable. In case of default in payment of instalment, penal interest @ 2.5% over and above the normal rate of interest shall be charged on the defaulted instalment for the period of delay. The other terms and conditions of the Corporation shall be according to NCDC Lr.No. NCDC:1-1/84-Budt, dated 15.10.1984 and No. NCDC:1-1/1990-Budt, dated 01-08-2011 and as amended from time to time.

5. The above loan assistance may be foreclosed and the loan assistance recovered from the Society concerned, if :-

- (i) it is not utilized for the purpose for which it has been sanctioned;
- (ii) the society fails to furnish the returns, statements of accounts and other information as may be prescribed or called for by the Corporation from time to time; and
- (iii) if any of the other conditions are not fulfilled.

6. The sanction is valid up to 30.06.2012 by which date, the State Government shall provide full assistance to the Society and claim reimbursement from the National Co-operative Development Corporation.

7. In the reference 4th read above, the Commissioner, Handlooms & Textiles and Apparel Export Parks, Andhra Pradesh, Hyderabad has informed that the President of the said society has requested for release of funds to enable to increase looms & release of payments to the weavers towards wages and for purchase of yarn etc., and requested the Government to sanction and release an amount of Rs.76.00 lakhs comprising of Rs.60.80 lakhs as loan and Rs.15.20 lakhs as subsidy to Kadapa Handloom Weavers Co-operative Production & Sales Society Ltd., Y.S.R. Kadapa District, under National Co-operative Development Corporation scheme of assistance, as per the terms of NCDC sanction letter.

8. After careful examination of the matter and keeping in view of the Budget Release Order issued by the Finance Department in the reference 5th read above, Government hereby decided to sanction Financial Assistance of an amount of Rs.76.00 lakhs (Rupees Seventy Six Lakhs only) comprising of Rs.60.80 Lakhs as loan and Rs.15.20 lakhs as subsidy to Kadapa Handloom Weavers Co-operative Production & Sales Society Ltd., Y.S.R. Kadapa District, as sanctioned by the National Co-operative Development Corporation, as per the terms of National Co-operative Development Corporation sanction letter and to release the amount accordingly, to enable the Society to increase looms & release of payments to the weavers towards wages and for purchase of yarn etc.

9. The loan amount of Rs.60.80 lakhs sanctioned as Margin Money Assistance by the National Co-operative Development Corporation shall be subject to the condition that the Society should strictly repay the instalments and the Director of Handlooms, Textiles & Apparel Export Parks, Andhra Pradesh, Hyderabad / the Vice-Chairman & Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad shall maintain separate registers accordingly.

10. The expenditure sanctioned in para (8) above shall be subject to the conditions stipulated by the National Co-operative Development Corporation, New Delhi, in the reference 3rd read above.

11. The expenditure of subsidy amount of Rs.15.20 lakhs (Rupees Fifteen Lakhs and Twenty Thousand only) shall be debited to the following Head of Account:-

“2851 - Village and Small Industries
MH.103- Handloom Industries
11- Normal State Plan
SH (38) – Financial Assistance for Handloom and Textile Promotion
310 - Grants-in-aid
312 - Other Grants-in-aid”

12. The expenditure of loan amount of Rs. 60.80 lakhs (Rupees Sixty Lakhs and Eighty Thousand only) shall be debited to the following Head of Account:-

“6860 – Loans for consumer industries
01 – Textiles –
MH-101 – Loans to Cooperative Spinning Mills
G.H.10- Centrally Sponsored Schemes
S.H.05- Margin Money to Co-operative Spinning Mills
001- Margin Money to Cooperative Spinning Mills”

13. The Deputy Secretary to Government, Finance (DCM) Department, Andhra Pradesh Secretariat, Hyderabad is authorized to draw & disburse the loan amount of Rs. 60.80 Lakhs (Rupees Sixty Lakhs and Eighty Thousand only) sanctioned in para (8) above by way of a cheque in favour of Director of Handlooms, Textiles and Apparel Export Parks, Hyderabad to the Commissioner of Handlooms, Textiles & Apparel Export Parks, Hyderabad. The Director, Handlooms & Textiles and Apparel Export Parks, Andhra Pradesh, Hyderabad shall furnish the Utilization Certificate within one month from the date of drawal of the amount to the Managing Director, National Co-operative Development Corporation (T-Series), New Delhi, under intimation to the Government.

14. The Director of Handlooms, Textiles & Apparel Export Parks, Hyderabad / concerned Drawing & Disbursement Officer is authorized to draw the subsidy amount of Rs.15.20 lakhs (Rupees Fifteen Lakhs and Twenty Thousand only) sanctioned in para (8) above and disburse the same to the concerned by way of a cheque. The Director of Handlooms, Textiles & Apparel Export Parks, Hyderabad shall furnish the Utilization Certificates within one month from the date of drawal of the amount to the Managing Director, National Development Corporation, New Delhi.

15. The Director of Handlooms, Textiles & Apparel Export Parks, Hyderabad / the Vice-Chairman & Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad shall deduct the loan instalment amount sanctioned above from the concerned Society and remit the same to the State Government Account under Loan Receipt head, on the due dates under intimation to the National Co-operative Development Corporation, New Delhi:-

0049- Interest receipts

04- Interest receipts of State Government

195- Interest from Co-operative Societies

SH-14 APEX & Primary Weavers Coop. Societies.

16. This order issues with the concurrence of Finance (Exp.I&C) Department, vide their U.O.No. 289/6/Exp.I&C (4&5)/ 2012, Dt. 01-02-2012, and vide Budget Release Order issued in G.O.Rt.No.308, Finance (Exp.I&C) Department, dated 31-01-2012.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

AJAY MISRA

PRINCIPAL SECRETARY TO GOVERNMENT (FAC).

To

The Director of Handlooms, Textiles & Apparel Export Parks, Hyderabad

The Assistant Secretary to Government, Finance (DMC) Department.

The Vice-Chairman and Managing Director,

Andhra Pradesh State Handloom Weavers Co-operative
Society Limited (APCO), Hyderabad.

The Managing Director,

National Co-operative Development Corporation (NCDC),
4, Siri Institutional Area, Hauz Khas, New Delhi.

The Chief Director, National Co-operative Development Corporation,
2nd Floor, HACA Bhavan, Opp. Public Gardens, Hyderabad.

The President, Kadapa Handloom Weavers Co-operative Production & Sales
Society Ltd., Y.S.R. Kadapa District, through the Director, Handlooms &
Textiles and Apparel Export Parks, Andhra Pradesh, Hyderabad

Copy to:

The Finance (Exp.I&C)/ (BG) Department

The Accountant General Andhra Pradesh, Hyderabad.

The Pay and Accounts Officer, Hyderabad.

The Director of Treasuries of Accounts, Andhra Pradesh, Hyderabad.

The P.S. to the Secretary to Chief Minister.

The P.S. to M(H&T,SM, SSI, K&VIB)

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// FORWARDED BY: ORDER//

SECTION OFFICER